

NSC BRIEFING

30 October 1957

FRENCH POLITICAL CRISIS

- I.   Lame duck Finance Minister Gaillard is expected to have difficulty overcoming renewed inter-party hostility to form a government.
  - A.   His call for the participation of all non-extremist parties seems unrealistic in face of widened gap between Socialists and Independents.
  - B.   Also faces difficulties with divided Radical Socialists, and Popular Republicans are disgruntled because Coty passed them over.
- II.   Deputies seem to be unimpressed by France's financial difficulties and continue to play politics.
  - A.   Paris embassy notes Independents believe continued crisis will lead to new elections in which they expect large gains.
- III.   Press of financial matters--caretaker government must request new bank advance this week--may, however, force the Assembly to an early albeit temporary decision.
  - A.   Gaillard's identification with austerity approach may make him an acceptable dark horse, who can be discarded when unpleasant job completed.
  - B.   Independents may accept stringent program (as recommended by Popular Republican Robert Schuman and already accepted by Mollet) if Socialists are not administering it.

State Dept. review completed

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